

## Data Sheet

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| <b>USAID Mission:</b>                      | Ecuador                                |
| <b>Program Title:</b>                      | Biodiversity Conservation              |
| <b>Pillar:</b>                             | Economic Growth, Agriculture and Trade |
| <b>Strategic Objective:</b>                | 518-001                                |
| <b>Status:</b>                             | Continuing                             |
| <b>Planned FY 2006 Obligation:</b>         | \$4,598,000 DA                         |
| <b>Prior Year Unobligated:</b>             | \$0                                    |
| <b>Proposed FY 2007 Obligation:</b>        | \$0                                    |
| <b>Year of Initial Obligation:</b>         | 1997                                   |
| <b>Estimated Year of Final Obligation:</b> | 2006                                   |

**Summary:** The program conserves biodiversity in three globally important areas: 1) 1,200,000 hectares of indigenous territory in northern and eastern Ecuador (Awa, Cofan and Huaorani, Kichua, Chachi) through territorial consolidation, capacity building, and financial sustainability; 2) the 133,000 km<sup>2</sup> Galapagos Marine Reserve by supporting the implementation of the marine zoning plan, strengthening the governance of the Reserve, reducing illegal fishing and over-fishing, increasing tourism's contributions to conservation, and supporting public outreach; and 3) conservation of 2,000,000 hectares of the Tropical Andes by consolidating the management of four protected areas, establishing public-private conservation partnerships and developing sustainable financing for conservation activities.

### Inputs, Outputs, Activities:

#### FY 2006 Program:

Improve Sustainable Management of Natural Resources and Biodiversity (\$4,598,000 DA). In northern Ecuador, indigenous peoples are extremely poor and vulnerable to the growing spillover effects of narcotrafficking and related violence from Colombia. To address this, USAID supports the efforts of lowland indigenous people to consolidate control over their territories, strengthen their institutions, and develop sustainable and licit sources of income. Over 1,000,000 hectares of indigenous territories will be under adequate management, with secure land use rights or title, by 2007.

USAID supports alliances between indigenous groups, the private sector and civil society organizations to consolidate the financial, political and organizational strength of indigenous institutions. Household incomes are increased through at least four viable microenterprises or through payments for environmental services. USAID also provides technical assistance in strategic planning, financial and natural resources management to five partner organization training 1,500 indigenous people.

In the Galapagos, USAID supports the physical demarcation of 1,667 km of the islands coastal zoning. Assistance in conflict management and institutional strengthening helps to consolidate the functioning of the Marine Reserve governance system. USAID's public outreach activities promote greater public support for conservation efforts. Collaborative efforts among various USAID programs will provide technical and financial assistance to improve the islands' financial services by merging a local cooperative with one from continental Ecuador, promote increased public participation in local government decisions, and operate a community-based ecotourism activity on Isabela Island.

In the Tropical Andes, USAID assistance is helping to create a functioning system of community park guards, who are being trained, equipped, and sustainably financed, in four protected areas. USAID is providing technical assistance to help stakeholders along 120 km of conflictive park boundaries resolve their disputes. Elsewhere, private landowners in three sites are being trained

in land usage to improve the management of at least 10,000 hectares. Additionally, USAID is assisting at least three municipal governments apply policies that promote sound environmental management in their jurisdictions. USAID will participate as appropriate in the Amazon Basin Initiative.

These programs will enhance cooperation between the United States and Ecuador under the Environmental Cooperation Agreement (ECA) of the bilateral Free Trade Agreement currently being negotiated. USAID is assisting Ecuadorian institutions charged with implementing, monitoring, and adjudicating the ECA in order to promote transparency, technically sound decisions, and public participation (including access for indigenous groups and other minorities). Specifically with the ECA, USAID will help the Government of Ecuador (GOE) address conservation and sustainable use of biodiversity, voluntary mechanisms to improve environmental management, (including partnerships with local communities, businesses, and NGOs), and effective enforcement of laws and regulations.

Prime implementers: Chemonics International, World Wildlife Fund, The Nature Conservancy, and others to be determined competitively

**FY 2007 Program:**

There will be no new obligations to this Strategic Objective. A new strategy will begin in FY 2007.

**Performance and Results:** With USAID support, three indigenous groups improved the management of 225,336 hectares and gained greater control over 410,412 hectares of their ancestral territories. They reached agreements with their neighbors and demarcated 159 km of their most vulnerable boundaries. Over 567,000 hectares in indigenous territories reached adequate management, securing land rights, demarcating vulnerable boundaries, controlling land use, and developing participatory management plans. Indigenous organizations raised \$675,907 from other donors, financial organizations or generated from environmentally sound economic activities. Over 1,280 indigenous people have directly participated in commercially viable sustainable enterprises (handicrafts, animal husbandry, agro-forestry, and sustainable forestry). The indigenous Cofan Guards program controls 323,700 hectares of Cofan territory, helping to reduce poaching, illegal logging, fishing with dynamite and invasions. Recognizing their effectiveness, the Ministry of Environment has provided the Cofan guards with the authority to confiscate equipment used for illegal activities in their territory.

The country's turbulent political situation slowed progress in the Galapagos. USAID and its partners were able to achieve greater institutionalization of the park management and the return of the fishing sector to the management dialogue process. The GOE is supporting a more professional and transparent selection process for the Galapagos Park Director. With USAID assistance, the GOE is also developing a number of economic alternatives for fishermen and their families, an effort that has reduced conflicts.

In the Tropical Andes, highland communities adjacent to the 400,000 hectares Cayambe-Coca Reserve signed agreements to protect the area and are funding community park guards, who provide extension services and control illegal activities. The private sector also provided key support for conservation. For example, the Quito Water Utilities Company agreed to protect water sources, conserve sensitive wetlands, and respect park and community limits as it develops new infrastructure. A key to all activities is sustainable financing. In 2005, the Quito Water Fund (FONAG), a private USAID-supported endowment, invested \$424,000 of its own funds and leveraged an impressive \$690,700 in matching funds to directly support conservation activities. USAID supported programs also leveraged a commitment of up to \$3,000,000 from the Global Environment Facility (GEF) to implement the financial strategy in the national park system and capitalize funds for long term financing.

By FY 2007, at least three targeted indigenous groups will have a minimum of 1,000,000 hectares under participatory natural resource management plans and sustainable financing mechanisms.

The Galapagos governance system and law enforcement will be effectively functioning and the tourism sector will be implementing best practices. Ecuadorian organizations will consolidate the conservation of over 556,000 hectares in the Tropical Andes, and the Water Fund will invest at least \$260,000 per year in perpetuity to conserve watersheds.

## US Financing in Thousands of Dollars

Ecuador

|                                       |           |            |
|---------------------------------------|-----------|------------|
| 518-001 Biodiversity Conservation     | <b>DA</b> | <b>ESF</b> |
| <b>Through September 30, 2004</b>     |           |            |
| Obligations                           | 46,539    | 2,996      |
| Expenditures                          | 38,984    | 2,893      |
| Unliquidated                          | 7,555     | 103        |
| <b>Fiscal Year 2005</b>               |           |            |
| Obligations                           | 4,620     | -3         |
| Expenditures                          | 5,463     | 100        |
| <b>Through September 30, 2005</b>     |           |            |
| Obligations                           | 51,159    | 2,993      |
| Expenditures                          | 44,447    | 2,993      |
| Unliquidated                          | 6,712     | 0          |
| <b>Prior Year Unobligated Funds</b>   |           |            |
| Obligations                           | 0         | 0          |
| <b>Planned Fiscal Year 2006 NOA</b>   |           |            |
| Obligations                           | 4,598     | 0          |
| <b>Total Planned Fiscal Year 2006</b> |           |            |
| Obligations                           | 4,598     | 0          |
| <b>Proposed Fiscal Year 2007 NOA</b>  |           |            |
| Obligations                           | 0         | 0          |
| Future Obligations                    | 0         | 0          |
| Est. Total Cost                       | 55,757    | 2,993      |